

S T A T E O F M I C H I G A N
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)	
DETROIT THERMAL, LLC,)	
for approval of a steam sales agreement.)	Case No. U-18420
_____)	

At the July 12, 2017 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner
Hon. Rachael A. Eubanks, Commissioner

ORDER

On June 15, 2017, Detroit Thermal, LLC (Detroit Thermal), filed an application for *ex parte* approval of a steam sales agreement for the supply of steam service to Detroit Regional Convention Facility Authority (Cobo Hall). Detroit Thermal states that it and Cobo Hall explored several proposals for the provision of service, including a rate based on Detroit Thermal's published steam service rate. The parties arrived at an equitable agreement, which is attached as Attachment A.

The agreement has an initial term of five years, beginning the day after the date of the Commission's approval of the agreement, with the possibility of renewal for two additional five-year terms. The rate for service set forth in the agreement has a fixed charge. Given Cobo Hall's projected steam consumption, the fixed monthly charges will cover the variable costs of the steam

Cobo Hall consumes while making a contribution to Detroit Thermal's margins. The customer, other customers, and Detroit Thermal will benefit from the agreement.

Cobo Hall benefits because they remain on the old steam tariff until the agreement expires in five years. Detroit Thermal benefits because the service rate is a fixed monthly rate that will cover the variable fuel costs of the steam Cobo Hall consumes while making a contribution to Detroit Thermal's overhead. Other customers will benefit because a large customer remains on the system for a five-year term with two five-year renewals.

Detroit Thermal is not requesting any ratemaking determinations or any change in the rates or costs of service to other customers. Approval of the contract does not increase any other customer's rate; therefore, *ex parte* approval is appropriate.

The Commission finds that the steam sales agreement is reasonable and in the public interest, and should be approved.

THEREFORE, IT IS ORDERED that the steam sales agreement between Detroit Thermal, LLC, and Detroit Regional Convention Facility Authority, attached to this order as Attachment A, is approved.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, under MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Norman J. Saari, Commissioner

Rachael A. Eubanks, Commissioner

By its action of July 12, 2017.

Kavita Kale, Executive Secretary

DETROIT THERMAL, LLC
STEAM SERVICE AGREEMENT

THIS AGREEMENT, made as of June 13, 2017, by and between DETROIT THERMAL, LLC, an Ohio limited liability company, 541 Madison Ave., Detroit, MI 48226, hereinafter called "DETROIT THERMAL" or the "COMPANY", and DETROIT REGIONAL CONVENTION FACILITY AUTHORITY, whose address is One Washington Blvd., Detroit, Michigan 48226, hereinafter called the "CUSTOMER" is for a supply of steam to be delivered by the COMPANY to the following location:

Service Address: One Washington Boulevard

This Agreement supersedes any and all previous agreements for steam service provided by the COMPANY to the above stated service address. Steam service shall be delivered by the COMPANY and received and paid for by the CUSTOMER under the following terms and conditions:

1. **SCOPE OF SERVICE.** Except to the extent this Agreement provides for different terms and conditions, the sale and delivery of steam under this Agreement is governed by the terms of the COMPANY'S filed tariff, *MPSC No.1 – Steam*, as revised from time to time. A copy of the COMPANY'S current filed tariff, *MPSC No.1 – Steam*, is attached to this Agreement as Exhibit A and is incorporated herein by reference. The terms of this Agreement shall apply in all cases where a conflict exists with the provisions of the COMPANY'S filed tariff, *MPSC No.1 – Steam*. CUSTOMER acknowledges that the COMPANY'S filed tariff, *MPSC No.1 – Steam*, is revised from time to time and CUSTOMER shall be bound by any such revisions to the tariff, provided however, that the terms of this Agreement shall control in the event that any revisions to the COMPANY'S filed tariff, *MPSC No.1 – Steam* conflict with this Agreement.

2. **TERM.** This Agreement shall be for a period of five (5) years beginning on the day after the date the Michigan Public Service Commission ("MPSC") issues an Order approving this Agreement (the "Contract Start Date"). Thereafter, the agreement may be extended for two (2) additional terms of five (5) years each at the mutual agreement of the parties.

3. **PRICE.** The COMPANY will charge and the CUSTOMER will pay for steam service at a fixed rate of Twenty-Two Dollars and 50/100 (\$22.50) per Mlb. for all steam provided to the Service Address by COMPANY. The steam rate per Mlb. shall be fixed during the term of the agreement as set forth above and shall not be subject to adjustment due to any modification to the base rate or monthly SSCR factors set forth in the COMPANY'S filed tariff, *MPSC No.1 – Steam*. If the Contract Start Date occurs during the middle of a month, that month shall be prorated on a daily basis.

All applicable taxes, including but not limited to State Sales Tax and City of Detroit Utility Users Tax, will be added to the total cost of steam delivered under this Agreement. As of the date of execution of this Agreement, the CUSTOMER represents that it is exempt from the payment of State Sales Tax and City of Detroit Utility Users Tax. The CUSTOMER shall immediately notify the COMPANY if its exemption for the payment of State Sales Tax and/or City of Detroit Utility Users Tax is revoked or modified in any way.

4. **FINANCIAL RESPONSIBILITY.** Should any invoice sent to the CUSTOMER remain outstanding for a period of ninety (90) days, the COMPANY may require CUSTOMER to provide a security deposit in an amount the COMPANY reasonably determines to be adequate before further deliveries of steam are made. In the event the COMPANY requires the CUSTOMER to provide a security deposit the COMPANY, upon termination of this Agreement, will return any security deposit to CUSTOMER with interest at the actual rate earned by the COMPANY'S interest bearing checking account, less any amount needed to cure any defaults by the CUSTOMER, which are then existing.

5. **REQUIREMENTS.** During the term of this Agreement the CUSTOMER shall only be permitted to use steam energy procured from the COMPANY for its heating and domestic hot water needs and shall purchase all of its steam requirements exclusively from the COMPANY. For purposes of clarity, during the term of this Agreement, CUSTOMER shall not, directly or indirectly: (i) self-supply, (ii) produce or source or (iii) otherwise procure from a party other than the COMPANY, any steam energy. Notwithstanding the foregoing to the contrary, nothing in this Section 5 will prohibit CUSTOMER from using its existing natural gas fired equipment to provide domestic hot water but only to the extent that such equipment exists at the Service Address, and is being utilized for such purposes, as of the date of this Agreement.

6. **SERVICE ADDRESS EXPANSION/JOE LOUIS ARENA.** If, during the term of this Agreement, CUSTOMER expands, refurbishes, or replaces its current heating or domestic hot water facilities, any such expanded, refurbished or replaced heating or domestic hot water facilities shall be required to use steam energy (except to the extent that domestic hot water is currently provided by CUSTOMER'S existing natural gas fired equipment) and such steam energy shall be procured from the COMPANY for its operation in accordance with this Agreement.

In the event that the CUSTOMER takes control or management of or otherwise participates in the development/re-development of the real property at the site of Joe Louis Arena (the "Site"), the CUSTOMER shall work jointly with the COMPANY in good faith to develop a mutually agreeable comprehensive energy solution to serve the Site's and/or CUSTOMER'S energy requirements which presents the best economic value for the CUSTOMER. Prior to approving the design of any construction or facilities at the Site, the CUSTOMER shall afford the COMPANY the opportunity to submit a proposed energy solution that may include, but not be limited to, the design of heating facilities, domestic hot water facilities, chilled water facilities and on-site heat and power generation facilities.

7. **INDEMNIFICATION.** To the maximum extent permitted by law, CUSTOMER shall indemnify, release, defend and hold harmless COMPANY and its members, officers, directors, managers, employees, representatives and agents from and against any and all suits, sanctions, actions, liabilities, legal proceedings, demands, losses, costs and expenses of whatsoever kind or character, including reasonable attorney fees and expenses, for any injury to or death of third parties or loss or damage to or loss of property of third parties arising directly or indirectly under this Agreement, to the extent caused by the acts or omissions of CUSTOMER or its employees, agents or contractors.

8. **FORCE MAJEURE.** If COMPANY shall be delayed, hindered in, or prevented from the performance of any of its obligations under this Agreement as a result of Force Majeure (as

hereinafter defined), it shall not be liable for loss or damage for the failure or be liable to CUSTOMER for a breach of contract. "Force Majeure" shall mean any period of delay which arises from or through Acts of God; strikes, lockouts or labor difficulty; explosion, sabotage, accident, riot or civil commotion; act of war; fire or other casualty; legal requirements; delays caused by the CUSTOMER; causes beyond the reasonable control of COMPANY; and delay, interruption or termination of steam, water, electricity, gas or other commodities supplied to COMPANY by third parties for reasons other than non-payment or non-performance by the COMPANY of its obligations under any applicable supply contract.

9. **ENTIRE AGREEMENT.** This is the entire Agreement and understanding between the parties and it supersedes all prior understandings and agreements regarding the subject matter addressed herein, whether oral or written.

10. **MODIFICATION.** This Agreement may not be amended, revoked, changed or modified except by prior written agreement executed by all parties. No waiver of any provision of this Agreement will be valid unless in writing and signed by the party against whom such waiver is charged. The waiver of any breach of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of this Agreement nor shall any waiver authorize the nonobservance of any other occurrence of the same or of any other covenant or condition thereof.

11. **ASSIGNMENT.** This Agreement will be binding upon the CUSTOMER's successors and its permitted assigns and will be for the benefit of COMPANY, its successors, and its assigns. The CUSTOMER may not assign this Agreement to another party without prior written consent of the COMPANY, which consent will be withheld in the sole discretion of the COMPANY. The COMPANY may assign this Agreement with the CUSTOMER's consent not to be unreasonably withheld to a purchaser or other transferee of all or substantially all of its thermal energy business or a successor operator of its thermal energy business provided that such purchaser, transferee or successor operator assumes the COMPANY's obligations under this Agreement. After such an assignment, the COMPANY shall have no liability or obligations to the CUSTOMER.

12. **SEVERABILITY.** The invalidity of all or any part of any sections, subsections, or paragraphs of this Agreement shall not invalidate the remainder of this Agreement or the remainder of any paragraph or section not invalidated unless the elimination of such subsections, sections, or paragraphs shall substantially defeat the intents and purposes of the parties.

13. **NOTICE.** Except as otherwise specifically provided for in this Agreement, all notices, statements, demands, or other communications required or permitted to be given hereunder shall be in writing and shall be hand delivered, sent by tele facsimile, or forwarded by courier (such as Federal Express) in each case against written receipt or confirmation, to the following addresses:

If to COMPANY:

Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226
Telephone: (313) 378-2858

Fax: (313) 963-7285
Attention: Joe Haak – Vice President Finance

If to CUSTOMER:

Detroit Regional Convention Facility Authority
One Washington Blvd.
Detroit, MI 48226
Attention: Patrick S. Bero –CEO/CFO
Phone: (313) 877-8215
Fax: (313) 877-8274
E-Mail: PBero@DRCFA.org

or to such other person or address as the addressee may have specified in a notice duly given as provided herein. All notices given in the foregoing manner shall be effective when received.

14. **CAPTIONS.** The paragraph headings are included solely for convenience and shall in no event affect, or be used in connection with, the interpretation of this Agreement and do not modify the provisions contained in the sections. If there are any disputes regarding the construction of this Agreement or any of its provisions, ambiguities or questions of interpretation will not be construed more in favor of one party than the other; rather, questions of interpretation will be construed equally as to each party.

15. **REPRESENTATION.** The parties represent and acknowledge that they have had full opportunity to seek the legal advice of the attorney of their choice and that they have read the terms of this Agreement and that its terms are fully understood and accepted by them.

16. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be enforceable, and all of which together shall constitute one agreement.

17. **APPROVAL.** This Agreement is explicitly conditioned upon approval in its original form by the MPSC.

18. **CHOICE OF LAW.** This Agreement is subject to Michigan law, without regard to conflict-of-law principles.

COMPANY:

DETROIT THERMAL, LLC

By: 

Steven A. White
President and Chairman of the Board

Date: June 13, 2017

CUSTOMER:

**DETROIT REGIONAL CONVENTION
FACILITY AUTHORITY**

By: Patrick S. Bero
Patrick S. Bero
CEO/CFO

Date: June 13, 2017

Exhibit A

Original Copy

Detroit Thermal, LLC

Schedule Rates, Rules Regarding Sale of Steam In City of Detroit

MPSC #1

Michigan Public Service
Commission

October 10, 2005

Filed 

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

DETROIT THERMAL, LLC
SCHEDULE OF RATES AND RULES
GOVERNING THE SALE OF STEAM
IN THE CITY OF DETROIT

Territory

The territory served by the steam system comprises an irregular strip in the center portion of the City of Detroit extending northward from the Detroit River approximately 3-1/4 miles, and varying, east and west of Woodward Avenue, from a width as narrow as one block to a width of about one mile at its widest part in the Downtown Business District.

Rules

All general rules, rates and contracts are subject to the approval of the Michigan Public Service Commission. Copies of the rules and rates for steam service as filed with and approved by the Michigan Public Service Commission (MPSC) are available at the Company's offices, 541 Madison Ave., Detroit, Michigan, 48226, for public inspection during regular business hours. The general rules or rates or charges may be revised, amended, supplemented or otherwise changed from time to time in accordance with approval of the MPSC, and such changes, when effective, shall have the same force as present general rules and rates and charges.

Michigan Public Service
Commission

October 10, 2005

Filed RL

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

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Issued: October 11, 2016
By: J. Haak, Vice President
Detroit Renewable Energy LLC
5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after
the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

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Third Revised 22.00	December 2008 Billing Cycle
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Issued: March 28, 2017
By: J. Haak, Vice President
Detroit Renewable Energy LLC
5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after
the April 2017 billing month.
Issued under authority of the
MCL 460.6r and
Michigan Public Service Commission
Case No. U-18153

GENERAL RULES

1. APPLICATIONS

Application for service may be made at offices of the Company. If personal application is not convenient, the Company, in response to a request by mail or telephone, may provide service. However, the receipt of steam service shall bind the receiver as a customer of the Company subject to its general rules and rates and responsibility for the service used, whether such service is given under a signed agreement or not.

The Company reserves the right to reject application for service, or to place limitations on the amount and character of service, or to apply other charges if:

1. the use or pattern of steam consumption is unusual or of a peaking or backup nature, or
2. such service will adversely affect the steam service to existing customers, or
3. the cost of such service will involve excessive amounts of investment compared to revenue obtainable -therefrom, or
4. for any other good and sufficient reasons.

2. LIMITATIONS ON COMPANY REPRESENTATIVES

No representative of the Company has the authority to modify or change the general rules and rates or to bind the Company to any oral promises or representation contrary thereto. Any changes in general rules and rates for steam service must be mutually agreed upon by the customer and the Company and incorporated in written contract or rider.

3. APPLICATION OF STEAM SERVICE RATE SCHEDULE

The Steam Service Rate schedule is applicable to all customers that have not entered into a contract for steam service with the Company.

4. CHARACTER OF SERVICE

The Company will endeavor, but does not guarantee, to furnish continuous and adequate steam service, at minimum pressure of 10 pounds per square inch gauge. Service is subject to interruption by agreement, by accident, or by necessity of maintenance or system operation or other causes not under the control of the Company.

The Company will not be liable for damages, either direct or consequential, caused by any interruption of service or variation in steam pressure due to strike, accident, legal process or restriction, state or municipal interference, act of God, storm or flood, or other natural disasters or any cause whatsoever beyond its control except such as may result from failure of the Company to exercise reasonable care and skill in furnishing the service. The customer is advised to use its diligence to install and maintain suitable equipment if such occurrence might disrupt or damage its system operations, or equipment.

The customer must notify the Company, as soon as is possible, if its service is interrupted or is otherwise affected due to defects, leaks, trouble, accident, or any other cause.

(Continued on Sheet No. 6.00)

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Michigan Public Service Commission
October 10, 2005
Filed <u>AL</u>

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

(Continued from Sheet No. 5.00)

5. SERVICE CONNECTION

The customer shall provide a sketch showing the size of the Company's service connection and the point in which the service will be brought for all buildings, which are to be connected to the Company steam service facilities, but such information does not constitute an agreement, or obligation, on the part of the Company to furnish service. In the case of a building having no basement, a pit for service connection must be provided by the customer when so indicated on the service sketch.

All meters and one service valve, on customer's property, and all service lines, on public property, will be furnished and maintained by and remain the property of Company.

The Company will furnish steam service pipe connections by the most convenient route from its steam service facilities to the customer's equipment.

The Company, upon request by prospective customers within the established service area, may make extensions of its steam distribution facilities at its own expense provided the extension will not require an investment out of proportion to the revenue obtainable therefrom.

The customers are prohibited from making any unauthorized connection to the Company's steam service facilities and/or from making use of service without authority. Any customer found to be using service without notifying the Company will be liable for charges estimated or calculated by the Company according to the information available. Furthermore, the service will be subjected to immediate discontinuance, without notice until the obligations of the Company are met.

6. CUSTOMER'S EQUIPMENT

With the exception of Company owned steam service facilities, all of the steam system within the customer's property line is the property of the customer who shall have sole responsibility for its safe installation, maintenance, and operation. The Company may furnish a primary pressure reducing valve if, in the Company's opinion, main pressure at that location of the steam system warrants such an installation.

The customer shall notify the Company of any changes in its system, which may affect its use of, or metering of, service. The Company has the right to seal any of the customer's equipment. No such seal shall be broken without the consent of the Company.

The Company reserves the right to refuse supply of service if, in its opinion:

- (a) the customer has installed defective equipment, or
- (b) the customer's equipment does not comply with the Company's rules and regulations defined herein, and City of Detroit and any other applicable safety standards, or
- (c) the customer's equipment is in violation of the Company's standard requirements, or
- (d) the customer's equipment might injuriously affect the equipment of the Company or as determined by the Company or in the opinion of the Company adversely affect Company's service to other customers.

(Continued on Sheet No. 7.00)

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Michigan Public Service Commission
October 10, 2005
Filed <u>AL</u>

Effective for service rendered on and after
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Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

(Continued from Sheet No. 6.00)

7. OPERATION OF CUSTOMER'S EQUIPMENT

The customer is responsible for the operation of its system. Any abnormal operation which results in increased steam consumption or additional charges is not the fault of the Company. The steam service valve, which is furnished by the Company, and may be located in the customer's building, is intended for use by the Company and not by the customer. The customer shall install and operate its own shut-off valve.

It is the customer's responsibility to maintain its system so that steam does not reach the condensate meter, if this type of meter is used. The Company will maintain the customer's master steam trap in the condensate line for protection of its meter.

Although the Company is available to assist the customer in planning its system and selection of equipment, it is the customer's responsibility to make the final selection and installation, of its system.

It shall be the responsibility of the customer to notify the Company as soon as possible and repair, as soon as possible, any water or condensate leaks which would cause a condensate meter to register high or low, and to repair, within 10 days, any valve leak on a shuntflow meter system which would cause the meter to register low.

Emergency Service to shut off the steam service is available without charge. Minor adjustments to the customer's system will be made at a charge sufficient to cover the Company's cost of providing this service, but not less than \$60.00 during regular working hours, or \$100.00 outside regular working hours. List price will be charged for materials. No major alterations, installations, or repairs will be made by the Company without a prior written agreement between the Company and the customer.

8. COMPANY EQUIPMENT ON CUSTOMER'S PROPERTY

The Company will keep in repair and maintain its own property installed on the premises of the customer. All equipment supplied by the Company shall remain its exclusive property, and the Company shall have the right to remove the same from the premises of the customer at any time.

The customer shall be responsible for the safekeeping of the Company's property and shall not permit any person except an authorized Company representative to break any seals or do any work on any meter or other apparatus of the Company located on the customer's premises.

In the event it is found that the Company's equipment is being tampered or interfered with, the customer, being supplied through such equipment, will be liable for the amount which the Company estimates is due for service but not registered on the Company's meter, and for any repairs or replacements required along with the costs of inspections, investigations and protective installations. The Company may also, at its option, disconnect the service if such abuses occur.

9. RIGHT OF ACCESS TO CUSTOMER'S PROPERTY

As a condition of taking service, authorized employees and agents of the Company shall have access to the customer's property at all reasonable hours to install, inspect, read, repair, or remove the Company's

(Continued on Sheet No. 8.00)

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Michigan Public Service Commission
October 10, 2005
Filed <u>RL</u>

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

(Continued from Sheet No. 7.00)

meters, and to install, operate, and maintain other Company property, and to determine the connected steam load, and to inspect if any unmetered service is being used. Failure to provide access for any of the above reasons may result in termination of service. Such right of access shall not be deemed to impose any duty upon the Company regarding the property of the customer.

Authorized Company employees and agents shall carry identification furnished by the Company and shall display it upon request.

10. CREDIT REQUIREMENTS

The Company may require the customer to make a reasonable cash deposit at any time to secure the prompt payment of the bills. The Company will pay interest on such deposits for the time the deposit is held by the Company and service is taken by the customer.

If at any time the Company deems any cash deposit to be inadequate, the customer may be required to make an additional deposit. Such deposits may be used to satisfy any unpaid balance on a closed account, but will not be applied to bills owing on an active account. Any remaining balance of a deposit and accrued interest will be returned to the customer upon termination of its service.

11. BILLING FOR SERVICE

Bills for service are rendered monthly. Meters will be read on a monthly basis on approximately the same day each month. Readings may be estimated when conditions warrant. Bills rendered on estimated readings have the same force and effect as bills rendered on meter readings. The Company may bill its customers in accordance with the Levelized Billing option at the election of the customer and approval by the Company.

12. ALTERNATE BILLING PLANS

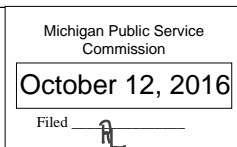
- A. Levelized Billing Plans.** For customers whose usage varies greatly from season to season, the Company offers a levelized billing payment option. Levelized billing will spread monthly payments evenly over a projected 12-month period based on the previous 12 months actual usage. Customers with less than 12 months of billing history will not be eligible.
- B. Customized Billing Plans.** For customers whose business operations result in variations in monthly revenues that do not correspond with steam usage, or present other unique circumstances, the Company may, upon request, devise a customized billing or payment plan. Any such plan shall be at the sole discretion of the Company.

13. PAYMENT FOR SERVICE

The customer is responsible for payment of all bills for service used until service is ordered disconnected and the Company has had reasonable time to secure a final meter reading. The Company will permit each customer at least 21 calendar days from the date of mailing of each bill for payment in full. Payment after due date will result in assessment of a late payment charge as specified in Rule 15. If customer's service is disconnected for any reason other than the customer's order to disconnect, the customer is responsible for payment of all outstanding bills for service.

(Continued on Sheet No. 9.00)

Issued: October 11, 2016
By: J. Haak, Vice President
Detroit Renewable Energy LLC
5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

(Continued from Sheet No. 8.00)

14. INFORMATION ON BILLS

Every bill rendered by the Company for metered steam service will state clearly:

- (a) The beginning and ending meter readings of the billing period and the dates thereof.
- (b) The due date.
- (c) Any previous balance.
- (d) The amount due for steam usage.
- (e) The amount due for other authorized charges.
- (f) The total amount due.
- (g) The number and kinds of units and rate code.

15. LATE PAYMENT CHARGE

A one-time late payment charge of 1 1/2% will be assessed upon the unpaid balance of any bill rendered for energy use or other approved rates and tariffs outstanding beyond the due date.

16. DISCONNECTION OF SERVICE

The Company reserves the right to refuse or to discontinue its service for any of the following reasons:

- (a) For non-payment of bills provided the bill remains unpaid ten (10) days after the bill due date and after at least five (5) days written notice has been given the customer. The bill due dates shall be a minimum of 21 calendar days from the date of physical mailing of the bill.
- (b) For failure of the customer to fulfill his contractual obligations for service or facilities furnished by the Company.
- (c) For failure to provide a surety deposit as required by the Company.
- (d) Without notice in the event of unauthorized use of service or tampering with the equipment owned by the Company.
- (e) For non-compliance with any rule established by the Company and filed with and approved by the Commission.
- (f) For failure of the customer to furnish and install the corrective equipment reasonably necessary in the judgment of the Company to eliminate interference where the customer's use of service interferes with the satisfactory operation of facilities of the Company, or any of its other customers, or of other public utility companies.

17. RECONNECTION AND TURN-ON CHARGES

Customers who desire the Company to turn off their service for the summer and turn it on in the fall will be charged \$60.00 during regular working hours, or \$100.00 outside regular working hours, for each service call in addition to the monthly minimum charge, if applicable. A charge of \$60.00 during regular working hours, or \$100.00 outside regular working hours, will be assessed for restoration of service discontinued for non-payment or any other breach of the Company rules. Whenever it is necessary to disconnect and restore service that has been cut at the street main - for non-payment, breach of Company rules, or at the

Michigan Public Service
Commission

October 10, 2005

Filed 

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Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

(Continued from Sheet No. 9.00)

request of the customer - the charge will be sufficient to cover the costs incurred by the Company in cutting and restoring service, but not less than \$60.00 during regular working hours, or \$100.00 outside regular working hours.

18. SINGLE POINT SUPPLY

The rates are based upon the supply of service through a single supply and metering point for the total requirement at each separate premises of the customer. Separate supply for the same customer at other points of use shall be separately metered and billed.

19. EXCEPTIONAL CASES

The usual supply of steam service shall be subject to the provisions of MPSC, but where special service-supply conditions or problems arise for which provision is not otherwise made, the Company may modify or adapt its supply terms and application of the rates to meet the peculiar requirements of such case, provided that such modified terms are a rational expansion of standard provisions herein.

20. NO PREJUDICE OF RIGHTS

The failure by the Company to enforce any of the terms of MPSC or the schedule of rates shall not be deemed a waiver of its right to do so.

21. RETURN OF CONDENSATE

At the option of the Company, the condensate shall be required to be returned to the Company's boiler plan or become the property of the customer.

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Michigan Public Service Commission
October 10, 2005
Filed <u>AL</u>

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
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METERING AND METERING EQUIPMENT

22. GENERAL

The quantity of steam used shall be determined by condensate meters, flow-meters, or other suitable devices. When condensate meters are employed to determine the quantity of steam used, they shall be placed as near as practical to the point of discharge from the building. The condensation from all steam supplied and used shall be passed through such meter. When flow meters are used, they should be placed as near as practical, to the point of the steam service. The customer shall not interfere with the normal flow of condensate through the heating system to the condensate meter, where such meter is used, or to the flow of steam through the flow meter. If any action by the customer or failure of its equipment results in improper metering, the Company shall prepare an estimate of the service used and bill the customer on that estimate. The estimate shall not be for less consumption than was registered on the meter for a similar period under normal conditions.

The meter, or any metering equipment, will be of commercially acceptable quality and will be furnished and maintained by the Company. The Company may, at any time, change or alter the meter or metering equipment to ensure that the steam supply is accurately measured or recorded.

23. MULTIPLIERS AND CONSTANTS

1. For chart recorders, the multiplier shall be marked on the chart.
2. For meters with registers, the multiplier shall be affixed to the meter nameplate or register.

24. ACCURACY OF METERING OR METERING EQUIPMENT

All meters shall be accurate to $100\% \pm 2.0\%$ registration. The accuracy of all steam meters used for high pressure industrial customers shall be $100\% \pm 2.0\%$ unless otherwise specified in a contract between the customer and the Company.

25. ACCURACY OF DEMAND METERS

A demand meter, demand register, or demand attachment used to measure customer's service will:

- (a) Be in a good operating condition.
- (b) Have proper constants, indicating scales, contact device, recording tape or chart, and resetting device.
- (c) Not register at no load.
- (d) Be accurate to $100\% \pm 2\%$ registration.

26. PORTABLE INDICATING INSTRUMENTS

All portable indicating instruments used for determining quality of service to customers, or for billing purposes, such as pressure gauges, potentiometers, temperature gauges, recorders, etc., will be checked for accuracy of $100\% \pm 2\%$ against suitable secondary reference standards at least once in each year or

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Michigan Public Service Commission
October 10, 2005
Filed <u>AL</u>

(Continued on Sheet No. 12.00)

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

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more frequently if the instrument has been damaged or its accuracy is questioned. A history and calibration record will be kept for each such instrument.

27. TESTING EQUIPMENT

- (a) The Company will maintain sufficient laboratories, meter testing shops, secondary standards, instruments, and facilities to determine the accuracy of all types of meters and metering equipment used by the Company. The Company may, if necessary, have all or part of the required tests made or its portable testing equipment checked by another utility or agency approved by the Michigan Public Service Commission, having adequate and sufficient testing equipment to comply, with these rules.
- (b) The following testing equipment constitutes minimum requirements which will be kept available by the Company:
 - 1. Portable indicating instruments of such various types as are required to determine the accuracy of all instruments used by the Company.
 - 2. Suitable standards which are not used for field work to check portable instruments used in testing.
- (c) The Company will provide and use primary standards consisting of precision instruments, timing devices, potentiometers, weight measures, pressure gauges, etc.

28. ACCURACY OF TEST STANDARDS

- (a) The accuracies of all primary reference standards will be certified as traceable to the National Bureau of Standards, either directly or through other recognized standards laboratories. These standards will be certified at the time of purchase and at subsequent intervals.
- (b) Secondary standard indicating instruments will be of suitable accuracy to check or calibrate portable indicating instruments. The secondary standard will be on an appropriate calibration schedule not to exceed twelve months. Calibration and history records will be kept for each standard.
- (c) For parts (a) and (b) the accuracy requirements and test schedule will be determined by accepted good metering practices as described in publication of recognized organizations such as National Bureau of Standards (NBS) and the American National Standards Institute (ANSI).
- (d) Working portable standards, when regularly used, will be compared with a secondary standard at least once a month. Working standards infrequently used will be compared with a secondary standard before they are used.
- (e) The meter accuracies herein required as to all primary, secondary, and working standards will be referred to 100%. Service measuring equipment will be adjusted to within the accuracies required assuming the portable test equipment to be 100% accurate.

Michigan Public Service
Commission

October 10, 2005

Filed



(Continued on Sheet No. 13.00)

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
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29. TESTING OF METERING EQUIPMENT

1. Demand Meters will be tested for accuracy:
 - (a) before the meter is placed in service.
 - (b) after 2 years of service, if they are of the recording type, but it is not required if they are of the pulse operated type and the demand reading is checked against the steam meter reading each billing cycle.
 - (c) when they are suspected of being inaccurate or damaged.
 - (d) when the accuracy is questioned by a customer.
2. Condensate Meters and Flow Meters will be tested for accuracy:
 - (a) before the meter is placed in service.
 - (b) on a regular test schedule.
 - (c) when they are suspected of being inaccurate or damaged.
 - (d) when the accuracy is questioned by the customer.
 - (e) when deemed appropriate by the Company.
3. The test of any unit of metering equipment will consist of a comparison of its accuracy with a standard of known accuracy. Units not properly connected or not meeting the accuracy or other requirements of these meter and metering equipment rules at the time of the test will be reconnected and rebuilt to meet such requirements and adjusted to within the required accuracy and as close to 100% accurate as practical or their use discontinued.
4. The Company will make a test of any metering installation upon request of the customer if 12 months or more have elapsed since the last test of the meter in the same location. The test will consist of a test for accuracy, a check of the register, and a check of the meter connections on the customer's premises.

30. METERING EQUIPMENT RECORDS

1. A complete record of the most recent test of all metering equipment will be maintained. This record will show information to identify the unit and its location; equipment with which the device is associated; the date of test; reason for the test; readings before and after the test; a statement of "as found" and "as left" accuracies sufficiently complete to permit checking of the calculations employed; indications showing that all required checks have been made; a statement of repairs made, if any, and identification of the testing standards and the person making the test.
2. The Company will keep a record of each unit of metering equipment showing when the unit was purchased; its cost; the Company's identification; associated equipment, essential nameplate data, date of the last test, the results and location where installed with dates of installation and removal.

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Michigan Public Service Commission
October 10, 2005
Filed 

(Continued on Sheet No. 14.00)

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

(Continued from Sheet No. 13.00)

31. DETERMINATION OF AVERAGE METER ERRORS

Whenever a meter is found upon any test to have an error of more than 2.0% fast, or 4.0% slow, an adjustment of the bills rendered during the period of inaccuracy shall be made in cases of over-registration, and may be made in the case of under registration.

1. If the date when the error in registration began can be determined, such date shall be the starting point for determination of the amount of the adjustment.
2. If the date when the error in registration began cannot be determined, it shall be assumed that the error has existed for a period equal to one-half the time lapsed since the meter was installed, or the last test, whichever is later.
3. Recalculation of bills shall be on the basis of actual monthly consumption.
4. When the error cannot be determined by test, because of failure of part or all of the metering equipment, the adjustment should be estimated on registration of check metering installations or other available data.

32. A METER BYPASS SYSTEM

A meter bypass system shall be installed on the customer's premises for the purpose of permitting the Company removal of the steam meter for testing or other purposes. This bypass system shall be customer owned and maintained. When the meter bypass system is in use, customer shall allow the Company to have access to use information for billing purposes for the period when primary metering is unavailable.

Michigan Public Service
Commission

October 10, 2005

Filed 

Issued: October 7, 2005
By: C. E. French
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Effective for service rendered on and after
September 9, 2005.
Issued under authority of the
Michigan Public Service Commission
dated September 8, 2005
Case No. U-13691

STEAM SERVICE RATE SCHEDULES

33. General

Rate Classes

The Company has four Steam Service rate classes; the Small Volume (SV) rate class, the Medium Volume (MV) rate class, the Large Volume (LV) rate class and the Extra-Large Volume (XLV) rate class.

Rate Class Selection

Each Customer shall be assigned an applicable rate class based on that Customer's Average Annual Steam Consumption. A Customer's Average Annual Steam Consumption shall be determined by calculating the simple average of the Customer's prior thirty-six (36) months of steam consumption. A Customer must remain in the assigned rate class for a period of twelve (12) months. Prior to the conclusion of the twelve (12) month period, the Company shall recalculate the Customer's Average Annual Steam Consumption.

If a Customer does not have thirty-six (36) months of prior steam consumption history, then the Company shall estimate that Customer's Average Annual Steam Consumption. Until a Customer accumulates thirty-six (36) months of steam consumption history, the Company may re-estimate the Customer's Average Annual Steam Consumption based upon then currently available data and re-assign the Customer to the appropriate rate class based upon the revised estimate.

Rules Applicable

Service under all Rate Classes shall be subject to the Rules and Regulations of the Company.

Character of Service

See General Rules, Rule 4.

Metering

See Metering and Metering Equipment, Rules 22-32.

Late Payment Charge

See General Rules, Rule 15.

Taxes

All taxes levied by the City, County, State, or Federal governmental agencies on the sale of steam, including but not limited to the State of Michigan Sales Tax and the City of Detroit Utility Users Tax, will be added to the total cost of steam delivered.

Issued: October 11, 2016
By: J. Haak, Vice President
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Effective for service rendered on and after the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

33.1 Small Volume (SV) Service Rate

Availability of Service

Subject to limitations and restrictions contained in orders of the MPSC in effect from time to time and in the Rules and Regulations of Company, steam service under the Small Volume rate schedule is available to any Customer that:

- (i) is located on the Company's existing steam distribution system having adequate capacity and suitable pressure to serve the service address;
- (ii) has an Average Annual Steam Consumption less than or equal to Ten Thousand (10,000) Mlbs.; and
- (iii) has not entered into a special contract for steam service with the Company.

Small Volume Steam Service Rate

The Small Volume Steam Service Rate charged for each month for steam delivered pursuant to the Small Volume Service rate class shall be equal to the sum of the Small Volume Base Rate set forth below and the Actual Steam Supply Cost Recovery ("SSCR") Factor billed for the corresponding month as set forth in Table 34.1 plus any applicable taxes.

Small Volume Base Rate

Small Volume Base Rate: \$18.84 per 1,000 pounds of steam (Mlb).

Steam Supply Cost Recovery Charge

The Small Volume Service Rate is subject to adjustment for fluctuations in the cost of steam supply as stated in Rule 35 of the applicable Rules and Regulations of Company. The Steam Supply Cost Recovery Factors are shown on Sheet No. 16.00. The Steam Supply Cost Recovery Factors are subject to further adjustment pursuant to the Quarterly Steam Supply Cost Recovery Factor Price Adjustment (Contingency) Mechanism. See Steam Service Rate Schedule, Rule 34.

Issued: October 11, 2016
By: J. Haak, Vice President
Detroit Renewable Energy LLC
5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

33.2 Medium Volume (MV) Service Rate

Availability of Service

Subject to limitations and restrictions contained in orders of the MPSC in effect from time to time and in the Rules and Regulations of Company, steam service under the Medium Volume rate schedule is available to any Customer that:

- (i) is located on the Company's existing steam distribution system having adequate capacity and suitable pressure to serve the service address;
- (ii) has an Average Annual Steam Consumption greater than Ten Thousand (10,000) Mlbs. but less than or equal to Fifty Thousand (50,000) Mlbs.; and
- (iii) has not entered into a special contract for steam service with the Company.

Medium Volume Steam Service Rate

The Medium Volume Steam Service Rate charged for each month for steam delivered pursuant to the Medium Volume Service rate class shall be equal to the sum of the Medium Volume Base Rate set forth below and the Actual Steam Supply Cost Recovery ("SSCR") Factor billed for the corresponding month as set forth in Table 34.1 plus any applicable taxes.

Medium Volume Base Rate

Medium Volume Base Rate: \$15.59 per 1,000 pounds of steam (Mlb).

Steam Supply Cost Recovery Charge

The Medium Volume Service Rate is subject to adjustment for fluctuations in the cost of steam supply as stated in Rule 35 of the applicable Rules and Regulations of Company. The Steam Supply Cost Recovery Factors are shown on Sheet No. 16.00. The Steam Supply Cost Recovery Factors are subject to further adjustment pursuant to the Quarterly Steam Supply Cost Recovery Factor Price Adjustment (Contingency) Mechanism. See Steam Service Rate Schedule, Rule 34.

Issued: October 11, 2016
By: J. Haak, Vice President
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5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.

Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

33.3 Large Volume (LV) Service Rate

Availability of Service

Subject to limitations and restrictions contained in orders of the MPSC in effect from time to time and in the Rules and Regulations of Company, steam service under the Large Volume rate schedule is available to any Customer that:

- (i) is located on the Company's existing steam distribution system having adequate capacity and suitable pressure to serve the service address;
- (ii) has an Average Annual Steam Consumption greater than Fifty Thousand (50,000) Mlbs. but less than or equal to One Hundred Thirty-Five Thousand (135,000) Mlbs.; and
- (iii) has not entered into a special contract for steam service with the Company.

Large Volume Steam Service Rate

The Large Volume Steam Service Rate charged for each month for steam delivered pursuant to the Large Volume Service rate class shall be equal to the sum of the Large Volume Base Rate set forth below and the Actual Steam Supply Cost Recovery ("SSCR") Factor billed for the corresponding month as set forth in Table 34.1 plus any applicable taxes.

Large Volume Base Rate

Large Volume Base Rate: \$12.09 per 1,000 pounds of steam (Mlb).

Steam Supply Cost Recovery Charge

The Large Volume Service Rate is subject to adjustment for fluctuations in the cost of steam supply as stated in Rule 35 of the applicable Rules and Regulations of Company. The Steam Supply Cost Recovery Factors are shown on Sheet No. 16.00. The Steam Supply Cost Recovery Factors are subject to further adjustment pursuant to the Quarterly Steam Supply Cost Recovery Factor Price Adjustment (Contingency) Mechanism. See Steam Service Rate Schedule, Rule 34.

Issued: October 11, 2016
By: J. Haak, Vice President
Detroit Renewable Energy LLC
5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

33.4 Extra-Large Volume (XLV) Service Rate

Availability of Service

Subject to limitations and restrictions contained in orders of the MPSC in effect from time to time and in the Rules and Regulations of Company, steam service under the Extra-Large Volume rate schedule is available to any Customer that:

- (i) is located on the Company's existing steam distribution system having adequate capacity and suitable pressure to serve the service address;
- (ii) has an Average Annual Steam Consumption greater than One Hundred Thirty-Five Thousand (135,000) Mlbs.; and
- (iii) has not entered into a special contract for steam service with the Company.

Extra-Large Volume Steam Service Rate

The Extra-Large Volume Steam Service Rate charged for each month for steam delivered pursuant to the Extra-Large Volume Service rate class shall be equal to the sum of the Extra-Large Volume Base Rate set forth below and the Actual Steam Supply Cost Recovery ("SSCR") Factor billed for the corresponding month as set forth in Table 34.1 plus any applicable taxes.

Extra-Large Volume Base Rate

Extra-Large Volume Base Rate: \$6.09 per 1,000 pounds of steam (Mlb).

Steam Supply Cost Recovery Charge

The Extra-Large Volume Service Rate is subject to adjustment for fluctuations in the cost of steam supply as stated in Rule 35 of the applicable Rules and Regulations of Company. The Steam Supply Cost Recovery Factors are shown on Sheet No. 16.00. The Steam Supply Cost Recovery Factors are subject to further adjustment pursuant to the Quarterly Steam Supply Cost Recovery Factor Price Adjustment (Contingency) Mechanism. See Steam Service Rate Schedule, Rule 34.

Issued: October 11, 2016
By: J. Haak, Vice President
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5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.

Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

4. Steam Supply Cost Recovery Factors

The listed monthly Steam Supply Cost Recovery ("SSCR") factors are authorized pursuant to the Steam Supply Cost Recovery Clause, Rule 35.

Table 34.1

Month	Year	Base SSCR Factor \$/Mlb.	+	Incremental Contingent SSCR Factor \$/Mlb.	=	Maximum Allowable SSCR Factor \$/Mlb.	Actual SSCR Factor Billed \$/Mlb.
April	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ 13.66
May	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ 13.66
June	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ 13.66
July	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
August	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
September	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
October	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
November	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
December	2017	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
January	2018	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
February	2018	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -
March	2018	\$ 13.66	+	\$ -	=	\$ 13.66	\$ -

The Actual SSCR Factor Billed shall not exceed the Maximum Allowable SSCR Factor for the corresponding month. During any month of the SSCR Plan Year, the Company may elect to bill any SSCR factor equal to or less than the Maximum Allowable SSCR Factor for the corresponding month. The Maximum Allowable SSCR Factor for each month is calculated by summing the Base SSCR Factor and the Incremental Contingent SSCR Factor, if any, for the corresponding month.

The Base SSCR Factors listed in Table 34.1 contain a (\$0.00) per Mlb. under-recovery surcharge applicable from prior SSCR plan periods.

The listed SSCR factors are authorized pursuant to Rule No. 35; Steam Supply Cost Recovery Clause. The SSCR Factors are subject to adjustment pursuant to the Quarterly SSCR Factor Price Adjustment (Contingency) Mechanism as shown on Sheet Nos. 19.00 and 20.00. Sheet No. 16.00 will be updated if adjustments are made pursuant to this mechanism. The Commission is authorized to approve SSCR price adjustments contingent on future events pursuant to Section 6r(6) of 2008 PA 132.

The Company will file an application with the MPSC for SSCR factors applicable to the April 2018 through March 2019 period on or before December 31, 2017 pursuant to MCL 460.6r.

The Company will file a revised Sheet No. 16.00 at least three (3) business days prior to the commencement of each month.

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Issued: May 25, 2017
By: J. Haak, Vice President
Detroit Renewable Energy LLC
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Effective for service rendered on and after the June 2017 billing month.
Issued under authority of the
MCL 460.6r and
Michigan Public Service Commission
Case No. U-18153

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The Incremental Contingent SSCR Factor to be used in calculating the Company's Maximum Allowable SSCR Factor is determined as follows: (i) calculate the NYMEX Price Increase using the formula on Sheet 19.00, and (ii) locate the Incremental Contingent SSCR Factor for the corresponding quarter of the SSCR Plan period and NYMEX Price Increase in Table 35.1 on Sheet No. 20.00. The applicable Incremental Contingent SSCR Factor is then added to the Company's Base SSCR Factor to calculate the SSCR Factor Ceiling for the remainder of the SSCR Plan period, unless a subsequent NYMEX Price Increase results in the application of a higher Incremental Contingent SSCR Factor in succeeding quarters of the SSCR Plan year.

35. Steam Supply Cost Recovery ("SSCR") Clause

a. Applicability of Clause

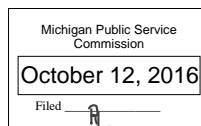
All rates for steam service, unless otherwise provided in the applicable Rate Schedule, shall include a monthly Steam Supply Cost Recovery ("SSCR") Factor to allow the Company to recover the Booked Cost of Steam sold by Company.

b. Booked Cost of Steam

- (1) Booked cost of steam, as used in this Rule, includes the following as expensed on the books of the Company.
 - a. Retail Gas Purchases: All Costs for gas service including customer charges, distribution charges, and gas cost recovery factor.
 - b. Wholesale Gas Purchases: Costs for gas purchases including the contract cost of gas, transportation fuel, pipeline transportation fees, and any local transportation or distribution fees.
 - c. Storage Gas Charges: Cost of gas, fuel, gas injection fees, withdrawal fees, and associated transportation fees.
 - d. Hedging: The cost of Commission approved financial hedging instruments such as futures and options, including premiums, settlement gains and losses, and commodity exchange and administration fees.
 - e. Steam Purchases: All costs for steam purchases including customer charges, distribution charges, and associated transportation fees.
 - f. Other fuel purchases: Costs for other fuel purchases including but not limited to any costs for: coal, wood, garbage, tires, waste oil, fuel oil or other materials used as a fuel for the production of steam, and all customer charges, distribution charges, and associated transportation and storage fees.

(Continued on Sheet No. 18.00)

Issued: October 11, 2016
By: J. Haak, Vice President
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5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

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(2) Booked cost of steam, as used in this rule, specifically excludes the following items:

- a. Natural gas used by the Company for purposes other than producing or distributing steam at the annual average booked cost of gas purchased.
- b. Steam used by the Company for purposes other than producing or distributing steam at the annual average booked cost of steam sold.
- c. Other fuels used by the Company for purposes other than producing or distributing steam.
- d. Contract, tariff and other penalties, unless the Customers of the Company benefit as a result of payment of such penalties.

c. Billing

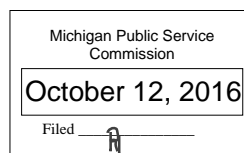
- (1) In applying the SSCR Factor, per Mlb., any fraction of \$0.01 shall be rounded to the nearest \$0.01.
- (2) Each month the Company shall include in its rates a SSCR factor up to the Maximum Allowable SSCR Factor authorized by the Commission as shown on Sheet. No. 16.00.
- (3) The SSCR Factor shall be the same per Mlb. for each billed tariff customer. The factor shall be placed into effect in the first billing cycle of each monthly billing period and shall continue in effect throughout all cycles in each monthly billing period.
- (4) The SSCR Factor shall appear on all tariff customer bills.

d. General Conditions

- (1) At least three (3) business days prior to the commencement of the first billing cycle for the corresponding month, the Company shall give the MPSC Staff written notice of the actual factor to be billed to its customers.
- (2) This Steam Supply Cost Recovery Clause is authorized by the provisions of 2008 P.A. 132. A copy of that Act is available for public inspection at the business office of the Company. The Company will provide a copy of the Act to any customer upon request.

(Continued on Sheet No. 19.00)

Issued: October 11, 2016
By: J. Haak, Vice President
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Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

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e. Quarterly SSCR Factor Price Adjustment (Contingency) Mechanism

The SSCR Factors listed in Steam Rate Schedule, Rule 34, Sheet No. 16.00, may be increased on a quarterly basis for the remaining months of the SSCR Plan year, contingent upon a NYMEX Price Increase. A NYMEX Price Increase is calculated using the following formula:

$$\text{NYMEX Price Increase} = (\underline{X} - \underline{X}_{plan})$$

- \underline{X} = the simple average of the actual NYMEX monthly natural gas futures contract prices, (\$/MMBtu), for the remaining months of the SSCR Plan period (averaged over the first five trading days of the month prior to implementation).
- \underline{X}_{plan} = the simple average of the natural gas futures prices incorporated in the calculation of the SSCR Plan for the remaining months of the SSCR Plan period. The averages for each quarter of the SSCR Plan year are listed at the top of the table on Sheet No. 20.00.

Prior to the beginning of each quarter the Company shall file a notice with the MPSC identifying the Incremental Contingent SSCR Factor to be included in the calculation of the Company's SSCR Factor Ceiling. See Steam Rate Schedule, Rule 34. The filing shall include all supporting documents necessary to verify the Incremental Contingent SSCR Factor, including the calculation of the five-day average of the NYMEX strip for the remaining months of the SSCR Plan year, and a copy of the published NYMEX futures price sheets for the first five trading days of the applicable month, such sheets being an authoritative source used by the gas industry.

(Continued on Sheet No. 20.00)

Issued: October 11, 2016
By: J. Haak, Vice President
Detroit Renewable Energy LLC
5700 Russell Street
Detroit, MI 48211



Effective for service rendered on and after the October 2016 billing month.
Issued under authority of the
Michigan Public Service Commission
dated October 11, 2016
Case No. U-18131

(Continued from Sheet No. 19.00)

The Incremental Contingent SSCR Factors set forth in Table 35.1 are authorized for the SSCR Plan Year beginning on April 1, 2017 and ending on March 31, 2018:

Table 35.1					
<i>Plan NYMEX (X_{plan})</i>		Apr-Mar 1st Q	Jul-Mar 2nd Q	Oct-Mar 3rd Q	Jan-Mar 4th Q
<i>NYMEX Price Increase</i> $X - X_{plan}$		\$ 3.4760	\$ 3.4989	\$ 3.5405	\$ 3.5947
Greater than or Equal to		SSCR Contingency Conversion Factors (MMBtu) / (Mlb) 0.731	0.717	0.734	0.719
But Less than		Incremental Contingent SSCR Factors \$ per Mlb.			
\$0.00	\$0.10	\$ -	\$ -	\$ -	\$ -
\$0.10	\$0.20	\$ 0.073	\$ 0.072	\$ 0.073	\$ 0.072
\$0.20	\$0.30	\$ 0.146	\$ 0.143	\$ 0.147	\$ 0.144
\$0.30	\$0.40	\$ 0.219	\$ 0.215	\$ 0.220	\$ 0.216
\$0.40	\$0.50	\$ 0.292	\$ 0.287	\$ 0.294	\$ 0.288
\$0.50	\$0.60	\$ 0.365	\$ 0.359	\$ 0.367	\$ 0.360
\$0.60	\$0.70	\$ 0.438	\$ 0.430	\$ 0.441	\$ 0.432
\$0.70	\$0.80	\$ 0.511	\$ 0.502	\$ 0.514	\$ 0.503
\$0.80	\$0.90	\$ 0.584	\$ 0.574	\$ 0.587	\$ 0.575
\$0.90	\$1.00	\$ 0.658	\$ 0.645	\$ 0.661	\$ 0.647
\$1.00	\$1.10	\$ 0.731	\$ 0.717	\$ 0.734	\$ 0.719
\$1.10	\$1.20	\$ 0.804	\$ 0.789	\$ 0.808	\$ 0.791
\$1.20	\$1.30	\$ 0.877	\$ 0.860	\$ 0.881	\$ 0.863
\$1.30	\$1.40	\$ 0.950	\$ 0.932	\$ 0.955	\$ 0.935
\$1.40	\$1.50	\$ 1.023	\$ 1.004	\$ 1.028	\$ 1.007
\$1.50	\$1.60	\$ 1.096	\$ 1.076	\$ 1.102	\$ 1.079
\$1.60	\$1.70	\$ 1.169	\$ 1.147	\$ 1.175	\$ 1.151
\$1.70	\$1.80	\$ 1.242	\$ 1.219	\$ 1.248	\$ 1.223
\$1.80	\$1.90	\$ 1.315	\$ 1.291	\$ 1.322	\$ 1.295
\$1.90	\$2.00	\$ 1.388	\$ 1.362	\$ 1.395	\$ 1.366
\$2.00	\$2.10	\$ 1.461	\$ 1.434	\$ 1.469	\$ 1.438
\$2.10	\$2.20	\$ 1.534	\$ 1.506	\$ 1.542	\$ 1.510
\$2.20	\$2.30	\$ 1.607	\$ 1.578	\$ 1.616	\$ 1.582
\$2.30	\$2.40	\$ 1.680	\$ 1.649	\$ 1.689	\$ 1.654
\$2.40	\$2.50	\$ 1.753	\$ 1.721	\$ 1.762	\$ 1.726
\$2.50	\$2.60	\$ 1.827	\$ 1.793	\$ 1.836	\$ 1.798
\$2.60	\$2.70	\$ 1.900	\$ 1.864	\$ 1.909	\$ 1.870
\$2.70	\$2.80	\$ 1.973	\$ 1.936	\$ 1.983	\$ 1.942
\$2.80	\$2.90	\$ 2.046	\$ 2.008	\$ 2.056	\$ 2.014
\$2.90	\$3.00	\$ 2.119	\$ 2.080	\$ 2.130	\$ 2.086

(Continued on Sheet No. 21.00)

Issued: March 28, 2017
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Effective for service rendered on and after the April 2017 billing month.
Issued under authority of the
MCL 460.6r and
Michigan Public Service Commission
Case No. U-18153

(Continued from Sheet No. 20.00)

f. Standard Procedures for SSCR Over/Under Recoveries

(1) Applicability of Steam Supply Cost Recovery Clause Standard Refund Procedures

SSCR Over/Under Recoveries by the Company arising from the annual SSCR Reconciliation shall be reported in accordance with the provisions of the 2008 PA 132.

(2) Over and Under Recoveries

Any SSCR over-recoveries and Commission-ordered disallowances associated with a prior SSCR period shall be subtracted from the Company's projected Steam Supply Costs in the calculation of the Company's SSCR Factor in subsequent SSCR period(s) in accordance with Section 6r(13) of 2008 PA 132.

Any SSCR under-recoveries associated with a prior SSCR period (including any estimated under-recoveries) shall be added to the Company's projected Steam Supply Costs in the calculation of the Company's SSCR Factor in subsequent SSCR period(s) in accordance with Section 6r(14) of 2008 PA 132.

36. Standard Refund Procedures for Steam Supply Cost Recovery and Supplier Refunds

a. Receipt of Refunds by the Company

(1) Supplier Refunds

By April 15 of each year, the Company shall notify the Commission Staff of any supplier refunds (other than a routine billing adjustment) received during the prior twelve months ended March 31. The notification shall be in the form of a letter, and include:

- (a) The amount of each refund, including interest.
- (b) The date each refunds was received.
- (c) The source and reason for each refund.
- (d) The period covered by each refund (historical period).

Additionally, if any portion of any refunds is properly allocable to non-SSCR customers, this amount, along with any calculations of deductions, shall also be included in the written notification.

(Continued on Sheet No. 22.00)

Issued: November 25, 2008
By: R. Dilley, Controller
Detroit Thermal, LLC
541 Madison Ave.
Detroit, MI 48226

Michigan Public Service Commission
November 25, 2008
Filed <u>RL</u>

Effective for service rendered on and after
the December 2008 billing month.
Issued under authority of the
Michigan Public Service Commission
dated November 13, 2008
Case No. U-15648

(Continued from Sheet No. 21.00)

Failure of the Company to report to the Commission Staff by the April 15 deadline shall result in an interest penalty of 50% over the normal authorized rate of return on common equity for the period of time that the Company fails to comply with the refund notification requirement.

(2) Steam Supply Cost Recovery (SSCR) Plan Reconciliation

Over/(under)-recovery amounts arising from the annual SSCR Reconciliation shall be reported in accordance with the provisions of 2008 PA 132.

b. Refund Allocation

(1) Supplier Refunds

Supplier refunds shall be allocated between SSCR and Non-SSCR customers on the basis of actual consumption during the historical refund period.

c. Refund Pass-Through

(1) To SSCR Customers [Roll-in Methodology]

All supplier refunds allocable to SSCR customers shall be reflected as adjustments to the SSCR Cost of Steam Supply in the month received and should be included in "Purchased and Produced." Adjustments to prior year's SSCR under- or over-recoveries and any Commission-ordered disallowances associated with a prior SSCR period, along with all other refund liabilities will be reflected separately below the cost of steam sold line for the month of effect, in order that they may be included in the month-to-month rolling over/(under)-recovery balance for purposes of interest calculation.

The Company shall maintain records as to the source amount and timing of each roll-in component.

Interest shall be accrued on the month-to-month rolling over/(under)-recovery balance at the rates specified in 2008 PA 132.

Issued: November 25, 2008
By: R. Dilley, Controller
Detroit Thermal, LLC
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Detroit, MI 48226

Michigan Public Service Commission
November 25, 2008
Filed 

Effective for service rendered on and after
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Michigan Public Service Commission
dated November 13, 2008
Case No. U-15648

These sheets are held for future use.

Issued: November 25, 2008
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541 Madison Ave.
Detroit, MI 48226

Michigan Public Service
Commission

November 25, 2008

Filed 

Effective for service rendered on and after
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Issued under authority of the
Michigan Public Service Commission
dated November 13, 2008
Case No. U-15648